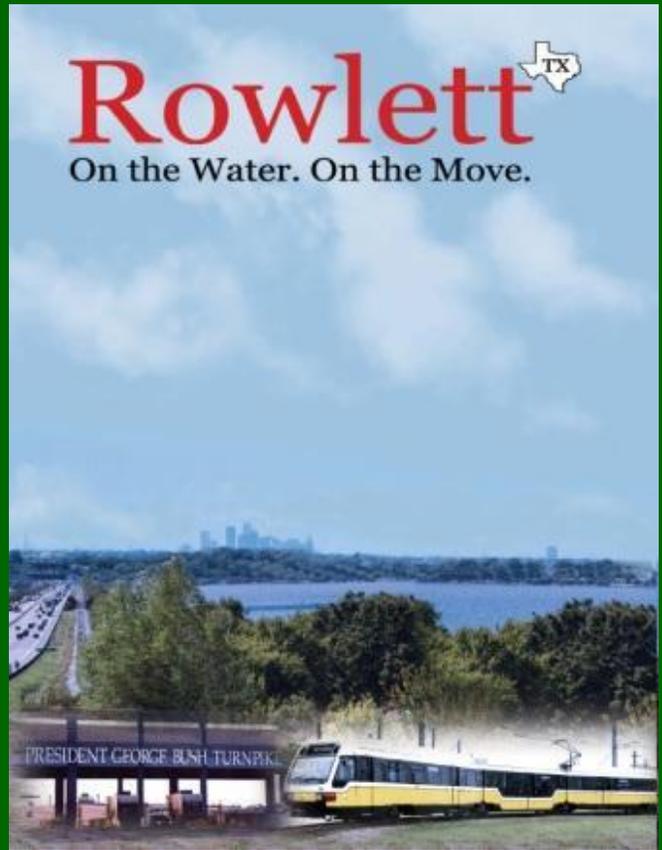




Comprehensive Monthly Financial Report

October 2013





MONTHLY FINANCIAL REPORT

PERFORMANCE AT A GLANCE

OCTOBER 2013

	YEAR TO DATE	REFERENCE
ALL FUNDS SUMMARY	POSITIVE	Page 4
GENERAL FUND REV VS EXP	POSITIVE	Page 5
PROPERTY TAXES	POSITIVE	Page 5
SALES TAXES	POSITIVE	Page 6
FRANCHISE FEES	POSITIVE	Page 6
UTILITY FUND REV VS EXP	POSITIVE	Page 7
SEWER REVENUES	POSITIVE	Page 7
WATER REVENUES	POSITIVE	Page 8
WATER USAGE	WARNING	Page 8
REFUSE FUND REV VS EXP	WARNING	Page 9
DRAINAGE FUND REV VS EXP	POSITIVE	Page 9
DEBT SERVICE FUND REV VS EXP	POSITIVE	Page 10
EMPLOYEE BENEFITS REV VS EXP	POSITIVE	Page 10

PERFORMANCE INDICATORS

POSITIVE

= Positive variance or negative variance < 1% compared to seasonal trends.

WARNING

= Negative variance of 1-5% compared to seasonal trends

NEGATIVE

= Negative variance of >5% compared to seasonal trends.

ECONOMIC INDICATORS

OCTOBER 31, 2013 – NEWS FOR YOU

ECONOMY

National GDP: 

GDP - the output of goods and services produced by labor and property located in the US – increased at a rate of 2.8% in the 3rd quarter of 2013 after increasing 2.5% in the 2nd quarter of 2013 as reported by the Bureau of Economic Analysis. The increase reflected imports decelerated, inventory investment picked up and state and local government spending accelerated.

Texas Retail Sales:

Texas retail sales totaled \$37.7 billion for the month of June, a decrease of \$0.1 billion (0.26%) over June 2012.

Texas Leading Index: 

The Texas Leading Index is a single summary statistic that sheds light on the future of the state's economy. The index is a composite of eight leading indicators—those that tend to change direction before the overall economy. The index increased 0.3% between the months of July and August.

UNEMPLOYMENT

National Unemployment:

The national unemployment  rate increased from 7.2% in September to 7.3% in October.

State-Wide:

The Texas unemployment rate for July, 2013 was 6.5%, the same as June, 2013.

Rowlett: 

The City of Rowlett unemployment rate for July 2013 was 6.3%, a 6.0% decrease over the June unemployment rate of 6.7%. Note – city unemployment rates are not seasonally adjusted.

(Many statistics could not be updated due to the federal government shutdown.)

Attached is the Comprehensive Monthly Financial report for October 2013. One month of FY 2014, or 8.3% of the fiscal year is complete.

Revenues: Overall, the City has earned or received \$5.3 million for FY 2014. This amount is 6.5% of the approved operating budget of \$81.4 million and is 10.7% more than forecast through the month of October.

- General Fund revenues are \$0.1 million or 9.2% higher than expected.
- Utility Fund revenues are \$0.3 million or 11.5% higher than expected.

Expenditures: Expenses totaled \$4.9 million year-to-date for FY 2014. This amount is 5.9% of the approved operating budget of \$82.7 million and is 16.2% lower than forecast through the month of September.

- General Fund expenditures are \$0.8 million or 26.4% lower than expected.
- Utility Fund expenditures are \$85 thousand or 4.6% lower than expected.

Surplus: The net surplus from operations through October is \$0.4 million which is \$1.5 million better than expected at this point in the year. The adopted operating budget for the fiscal year anticipates a total decrease of \$1.3 million.

NOTEWORTHY

STAGE 3 WATER RESTRICTIONS EXTENDED THROUGH MARCH 31, 2014

The North Texas Municipal Water District (NTMWD) Board of Directors has unanimously voted to remain in Stage 3 of the NTMWD Water Conservation and Drought Contingency and Water Emergency Response Plan. Continuation of Stage 3 water restrictions is necessary due to below average rainfall, declining water levels of NTMWD reservoirs and the ongoing prohibition of pumping water from Lake Texoma due to the zebra mussel infestation.



**CITY OF ROWLETT, TEXAS
FINANCIAL STATUS DASHBOARD
October 31, 2013**

BUDGET SUMMARY OF ALL FUNDS FY2014

	2014 <u>Budget</u>	2014 <u>Forecast</u>	2014 <u>Year-to-Date</u>	<u>Variance</u>
Beginning Reserves	\$ 16,862,505	\$ 16,862,505	\$ 16,862,505	0.0%
Revenues:				
General	33,671,772	1,465,782	1,600,503	9.2%
Water & sewer	27,531,543	2,248,899	2,506,570	11.5%
Debt service	8,246,662	138,474	242,680	75.3%
Drainage	1,346,939	112,194	111,003	-1.1%
Refuse	4,835,889	402,716	393,619	-2.3%
Employee health benefits	4,095,123	341,260	377,939	10.7%
Impact fees	44,357	3,167	24,240	665.3%
Police seizure	100,550	8,379	-	-100.0%
Economic development	316,694	26,391	26,615	0.8%
Innovations	-	-	413	0.0%
Hotel/motel tax	47,752	3,653	3,940	7.9%
P.E.G.	85,042	-	50	0.0%
Grants	41,838	1,743	2,999	72.0%
Community Development Block Grant	191,254	15,938	3,188	-80.0%
Inspection Fees Fund	169,333	14,111	-	-100.0%
Juvenile diversion	33,281	2,773	2,798	0.9%
Court technology	26,936	2,245	2,321	3.4%
Court security	20,035	1,670	1,601	-4.1%
Golf course	601,728	-	631	0.0%
Total Revenues	\$ 81,406,728	\$ 4,789,396	\$ 5,301,110	10.7%
Expenses:				
General	35,001,079	3,035,769	2,235,034	-26.4%
Water & sewer	27,403,823	1,855,381	1,769,999	-4.6%
Debt service	8,246,662	15,426	13,921	-9.8%
Drainage	1,303,580	73,915	61,084	-17.4%
Refuse	4,778,613	397,217	395,068	-0.5%
Employee health benefits	4,070,097	339,175	348,484	2.7%
Impact fees	30,000	2,500	-	-100.0%
Police seizure	100,550	8,379	19,947	138.1%
Economic development	355,588	28,221	12,262	-56.6%
Innovations	224,605	18,717	-	-100.0%
Hotel/motel tax	42,749	3,562	625	-82.5%
P.E.G.	71,811	5,524	4,086	-26.0%
Grants	41,838	1,743	2,999	72.0%
Community Development Block Grant	191,254	15,938	3,188	-80.0%
Inspection Fees Fund	146,144	12,179	-	-100.0%
Juvenile diversion	33,210	2,768	1,856	-32.9%
Court technology	29,145	2,429	16,985	599.3%
Court security	24,102	2,009	2,779	38.4%
Golf course	601,728	15,213	-	-100.0%
Total Expenses	\$ 82,696,578	\$ 5,836,065	\$ 4,888,316	-16.2%
Current Year Surplus/(Shortfall)	\$ (1,289,850)	\$ (1,046,669)	\$ 412,793	-60.6%
Ending Reserves	\$ 15,572,655	\$ 15,815,836	\$ 17,275,298	9.2%

Positive
Warning
Negative

Positive variance or negative variance <1% compared to forecast
 Negative variance between 1%-5% compared to forecast
 Negative variance >5% compared to forecast



**CITY OF ROWLETT, TEXAS
FINANCIAL STATUS DASHBOARD
October 31, 2013**

OVERALL FUND PERFORMANCE

GENERAL FUND REVENUES VS EXPENSES FY2014

<u>Month</u>	<u>2014 Revenue</u>	<u>2014 Expenses</u>	<u>Monthly Variance</u>
Oct	1,600,503	2,235,034	\$ (634,531)
Nov	-	-	-
Dec	-	-	-
Jan	-	-	-
Feb	-	-	-
Mar	-	-	-
Apr	-	-	-
May	-	-	-
Jun	-	-	-
Jul	-	-	-
Aug	-	-	-
Sep	-	-	-
Total	\$ 1,600,503	\$ 2,235,034	\$ (634,531)
Cumulative Forecast	\$ 1,465,782	\$ 3,035,769	\$ (1,569,988)
Actual to Forecast \$	\$ 134,721	\$ (800,736)	\$ 935,457
Actual to Forecast %	9.2%	-26.4%	



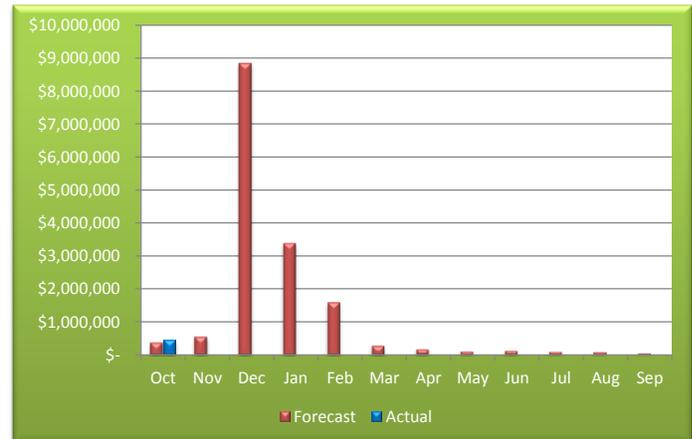
Positive

Cumulatively overall, the General Fund is better than forecasted for this time of the year, with revenues exceeding the forecast by 9.2% and expenses 26.4% lower than forecasted. These differences are primarily due to higher than expected tax collections, vacancy savings and lower than expected supplies expenses.

REVENUE ANALYSIS

PROPERTY TAXES FY2014

<u>Month</u>	<u>2014 Forecast</u>	<u>2014 Actual</u>	<u>Monthly Variance</u>
Oct	\$ 388,488	\$ 460,233	\$ 71,745
Nov	561,872		
Dec	8,847,877		
Jan	3,403,794		
Feb	1,608,725		
Mar	290,844		
Apr	184,755		
May	117,901		
Jun	140,464		
Jul	102,440		
Aug	89,645		
Sep	50,372		
Total	\$ 15,787,177	\$ 460,233	\$ 71,745
Actual to Forecast			18.5%



Positive

Property taxes represents nearly 50% of the total General Fund revenue budget and serves as the primary funding source for the general government. Cumulatively overall, property tax revenues are 18.5% higher than forecasted for this time of the year.

REVENUE ANALYSIS

SALES TAXES FY2014

<u>Month</u>	<u>2014 Forecast</u>	<u>2014 Actual</u>	<u>Monthly Variance</u>
Oct	\$ 459,941	\$ 459,941	\$ -
Nov	394,348		
Dec	558,732		
Jan	389,630		
Feb	361,544		
Mar	485,196		
Apr	416,016		
May	417,960		
Jun	557,046		
Jul	410,975		
Aug	434,864		
Sep	526,923		
Total	\$ 5,413,175	\$ 459,941	\$ -
<i>Actual to Forecast</i>			<i>0.0%</i>



Positive

Sales tax is an important indicator of financial health for the Rowlett community. Sales taxes are collected by the State Comptroller and are recorded two months later. The sales taxes reported here for October represent an estimate.

REVENUE ANALYSIS

FRANCHISE FEES FY2014

<u>Month</u>	<u>2014 Forecast</u>	<u>2014 Actual</u>	<u>Monthly Variance</u>
Oct	\$ -	\$ -	\$ -
Nov	-		
Dec	652,928		
Jan	-		
Feb	333,775		
Mar	642,098		
Apr	-		
May	-		
Jun	528,568		
Jul	-		
Aug	-		
Sep	852,633		
Total	\$ 3,010,000	\$ -	\$ -
<i>Actual to Forecast</i>			



Positive

Franchise fees represents nearly 10% of the total General Fund budget and include electric, gas, cable and telecommunications. Most fees are paid quarterly with natural gas being paid yearly in February. No franchise payments are expected until December.



**CITY OF ROWLETT, TEXAS
FINANCIAL STATUS DASHBOARD
October 31, 2013**

OVERALL FUND PERFORMANCE

UTILITY FUND REVENUES VS EXPENSES FY2014

<u>Month</u>	<u>2014 Revenue</u>	<u>2014 Expenses</u>	<u>Monthly Variance</u>
Oct	2,506,570	1,769,999	\$ 736,571
Nov	-	-	-
Dec	-	-	-
Jan	-	-	-
Feb	-	-	-
Mar	-	-	-
Apr	-	-	-
May	-	-	-
Jun	-	-	-
Jul	-	-	-
Aug	-	-	-
Sep	-	-	-
Total	\$ 2,506,570	\$ 1,769,999	\$ 736,571
Cumulative Forecast	\$ 2,248,899	\$ 1,855,381	\$ 393,519
Actual to Forecast \$	\$ 257,671	\$ (85,382)	\$ 343,052
Actual to Forecast	11.5%	-4.6%	



Positive

Utility fund revenues are 11.5% higher than forecast, and expenses are 4.6% lower. These differences are primarily due to higher than expected water sales, vacancy savings and lower than expected supply costs.

REVENUE ANALYSIS

SEWER REVENUES FY2014

<u>Month</u>	<u>2014 Forecast</u>	<u>2014 Actual</u>	<u>Monthly Variance</u>
Oct	\$ 919,553	\$ 950,609	\$ 31,056
Nov	907,875	-	-
Dec	942,658	-	-
Jan	738,313	-	-
Feb	750,346	-	-
Mar	837,264	-	-
Apr	847,397	-	-
May	886,960	-	-
Jun	884,119	-	-
Jul	1,006,135	-	-
Aug	1,014,318	-	-
Sep	1,058,609	-	-
Total	\$ 10,793,547	\$ 950,609	\$ 31,056
Actual to Forecast			3.4%



Positive

Sewer sales represent over 40% of the Utility Fund budget and cover the cost of sewer treatment paid to City of Garland. Cumulatively overall, sewer revenues are 3.4% higher than forecasted for this time of year.

REVENUE ANALYSIS

WATER REVENUES FY2014

<u>Month</u>	<u>2014 Forecast</u>	<u>2014 Actual</u>	<u>Monthly Variance</u>
Oct	\$ 1,256,608	\$ 1,432,250	\$ 175,642
Nov	1,350,960		
Dec	1,260,545		
Jan	1,121,060		
Feb	983,482		
Mar	1,114,506		
Apr	1,167,772		
May	1,239,689		
Jun	1,278,088		
Jul	1,552,096		
Aug	1,663,331		
Sep	1,831,139		
Total	\$ 15,819,276	\$ 1,432,250	\$ 175,642
<i>Actual to Forecast</i>			<i>14.0%</i>



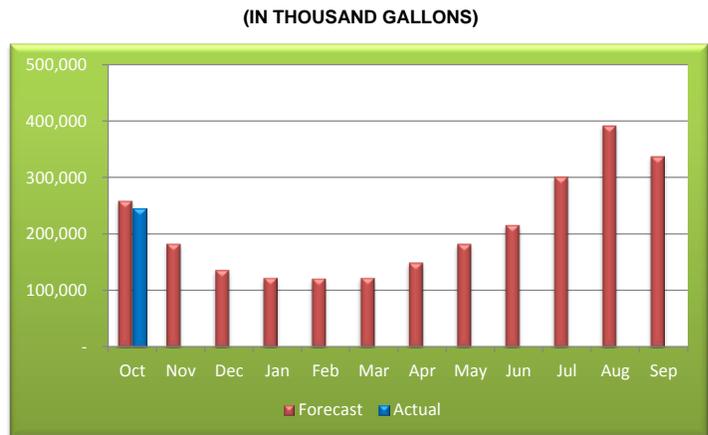
Positive

Water sales represent just over 50% of the total Utility Fund budget and cover the cost of water acquisition from the North Texas Municipal Water District. Water revenues are 14.0% more than forecasted for this time of year.

REVENUE ANALYSIS

WATER USAGE FY2014

<u>Month</u>	<u>2014 Forecast</u>	<u>2014 Actual</u>	<u>Monthly Variance</u>
Oct	259,455	244,924	(14,531)
Nov	183,154		
Dec	137,185		
Jan	123,269		
Feb	121,904		
Mar	123,297		
Apr	149,889		
May	182,800		
Jun	216,668		
Jul	302,232		
Aug	392,638		
Sep	337,845		
Total	2,530,336	244,924	(14,531)
<i>Actual to Forecast</i>			<i>-5.6%</i>



Warning

The City purchases its water from the North Texas Municipal Water District. Customer usage is 5.6% lower than forecasted for this time of the year. The contract with NTMWD requires the City to pay for a minimum of 3.2 billion gallons of water per year.



**CITY OF ROWLETT, TEXAS
FINANCIAL STATUS DASHBOARD
October 31, 2013**

OVERALL FUND PERFORMANCE

REFUSE FUND REVENUES VS EXPENSES FY2014

<u>Month</u>	<u>2014 Revenue</u>	<u>2014 Expenses</u>	<u>Monthly Variance</u>
Oct	393,619	395,068	\$ (1,449)
Nov	-	-	-
Dec	-	-	-
Jan	-	-	-
Feb	-	-	-
Mar	-	-	-
Apr	-	-	-
May	-	-	-
Jun	-	-	-
Jul	-	-	-
Aug	-	-	-
Sep	-	-	-
Total	\$ 393,619	\$ 395,068	\$ (1,449)
Cumulative Forecast	\$ 402,716	\$ 397,217	\$ 5,499
Actual to Forecast \$	\$ (9,097)	\$ (2,149)	\$ (6,948)
Actual to Forecast	-2.3%	-0.5%	



Warning

The Refuse Fund accounts for monies collected from customers on their utility bills and remitted to our solid waste provider. Revenues are currently 2.3% lower than forecasted, and expenses are 0.5% lower than forecasted.

OVERALL FUND PERFORMANCE

DRAINAGE FUND REVENUES VS EXPENSES FY2014

<u>Month</u>	<u>2014 Revenue</u>	<u>2014 Expenses</u>	<u>Monthly Variance</u>
Oct	111,003	61,084	\$ 49,919
Nov	-	-	-
Dec	-	-	-
Jan	-	-	-
Feb	-	-	-
Mar	-	-	-
Apr	-	-	-
May	-	-	-
Jun	-	-	-
Jul	-	-	-
Aug	-	-	-
Sep	-	-	-
Total	\$ 111,003	\$ 61,084	\$ 49,919
Cumulative Forecast	\$ 112,194	\$ 73,915	\$ 38,279
Actual to Forecast \$	\$ (1,191)	\$ (12,831)	\$ 11,640
Actual to Forecast	-1.1%	-17.4%	



Positive

The Drainage Fund accounts for monies collected from customers on their utility bills for the municipal drainage system. Cumulatively overall, the fund is better than forecasted for this time of the year, with revenues 1.1% lower than forecasted but expenses 17.4% lower than forecasted.

OVERALL FUND PERFORMANCE

DEBT SERVICE FUND REVENUES VS EXPENSES FY2013

<u>Month</u>	<u>2014 Revenue</u>	<u>2014 Expenses</u>	<u>Monthly Variance</u>
Oct	242,680	13,921	\$ 228,759
Nov	-	-	-
Dec	-	-	-
Jan	-	-	-
Feb	-	-	-
Mar	-	-	-
Apr	-	-	-
May	-	-	-
Jun	-	-	-
Jul	-	-	-
Aug	-	-	-
Sep	-	-	-
Total	\$ 242,680	\$ 13,921	\$ 228,759
Cumulative Forecast	\$ 138,474	\$ 15,426	\$ 123,048
Actual to Forecast \$	\$ 104,206	\$ (1,505)	\$ 105,711
Actual to Forecast	75.3%	-9.8%	



Positive

General Debt Service Fund is used to pay principal and interest on tax-supported debt. Overall, the fund is better than forecasted, with revenues 75.3% higher than projected and expenses 9.8% lower than expected. The fund makes semi-annual debt payments in February and August.

OVERALL FUND PERFORMANCE

EMPLOYEE HEALTH BENEFITS FUND REVENUES VS EXPENSES FY2013

<u>Month</u>	<u>2014 Revenue</u>	<u>2014 Expenses</u>	<u>Monthly Variance</u>
Oct	377,939	348,484	\$ 29,455
Nov	-	-	-
Dec	-	-	-
Jan	-	-	-
Feb	-	-	-
Mar	-	-	-
Apr	-	-	-
May	-	-	-
Jun	-	-	-
Jul	-	-	-
Aug	-	-	-
Sep	-	-	-
Total	\$ 377,939	\$ 348,484	\$ 29,455
Cumulative Forecast	\$ 341,260	\$ 339,175	\$ 2,086
Actual to Forecast \$	\$ 36,679	\$ 9,309	\$ 27,370
Actual to Forecast	10.7%	2.7%	



Positive

Employee Health Benefits Fund accounts for all health related claims paid from the City's partial self-insured fund. Overall, revenues are 10.7% higher than forecasted and expenses are 2.7% higher than forecasted. Expenses are higher than forecasted due to higher than expected claims.